

SERIAL 09133 IGA INDUSTRIAL SUPPLIES, TOOLS, AND EQUIPMENT

DATE OF LAST REVISION: October 22, 2010 CONTRACT END DATE: December 31, 2014

**CONTRACT PERIOD BEGINNING MARCH 11, 2010
ENDING DECEMBER 31, ~~2010~~ 2014**

TO: All Departments

FROM: Department of Materials Management

SUBJECT: Contract for INDUSTRIAL SUPPLIES, TOOLS, AND EQUIPMENT

Attached to this letter is a listing of vendors available to Maricopa County Agencies utilizing the City of Tucson contract #090188 (National IPA). The using agency and other interested parties may access an electronic version of this contract from the Materials Management Web site at: http://www.maricopa.gov/materials/Awarded_Contracts/search.asp.

Please note: Price Agreement Purchase Orders (PG documents) may be generated using the information from this list. Use NIGP CODE 4504101/4453901

All purchases of product(s) listed on the attached pages of this letter are to be obtained from the listed contractor(s).

Maintenance, Repair and Operation Supplies (MRO) Awarded by City of Tucson, AZ (Contract #090188)

Awarded to Grainger, Inc. and available to public agencies nationwide via National Intergovernmental Purchasing Alliance



This is a competitively solicited contract that offers a catalog wide agreement. Over 850 most frequently ordered MRO items are offered at substantially reduced prices. In addition, the contract offers an option for a customizable core list of MRO items or product categories so that National IPA participating public agencies may create an offering that is unique to their agency, facility or institution.

- A. Term: Initial one year agreement from January 1, 2010 through December 31, 2010 with option to renew for four (4) additional one-year periods.
- B. Pricing: Consists of deep, discounted core lists supplemented with specific manufacturer discounts and general discounts for product catalog categories.
 - 1. 850 Item Core List comprised of:
 - a. 600 Basic Core List.
 - b. 100 Sustainability (Green) Core List.
 - c. 150 Emergency Preparedness and Response Core List.
 - 2. Customized Core List (minimum of 100 items): Customizable for each participating agency to meet specific agency product needs.
 - 3. Customer Specific Pricing (CSP) - Additional competitive discounts and pricing for high volume and/or repetitive product purchases.
 - 4. General Catalog and Product Category Discounts comprised of:
 - a. Motors – 28%
 - b. Air Filters – 45%
 - c. Cleaning Supplies - 18%
 - d. Tools Program - 35% - 60%
 - e. Lamps and Ballasts Program - Up to 81.5%
 - f. Lamp Recycling Kits – 25%
 - g. Private Line Products: Details in Tab 1 – Page 29 and at www.grainger.com/exclusivebrands. Products offered yield a minimum of an additional 10% savings when compared to equivalent branded products.
 - h. General Catalog – 10%
 - 5. Freight:
 - a. FOB Destination for standard ground shipments. Excludes Alaska, Hawaii, export orders and Sourced Products.
 - b. Excludes costs for expedited delivery, carrier or special handling by carrier.
- C. Payment: Payment is accepted for Visa, Mastercard and American Express via phone, fax, email, counter will call and www.grainger.com.

- D. Ordering: Details in Tab 1 – Pages 32-34.
1. www.grainger.com – Website provides contract pricing, product comparison and availability, green products, MSDS, etc.
 2. Phone, fax, mail and counter calls at local branch.
 3. EDI.
 4. eProcurement.
 5. Emergency Orders (After Regular Business Hours) – If unable to reach your local branch representative, dial 1-800-CALL-WWG for assistance. Support staff will assist in contacting your representative to take care of your needs. Customary emergency fee of \$50 is waived.
- E. eCommerce: Details in Tab 2 – Pages 70-72 and Pages 88-89.
1. Software punchout connections to inventory software systems.
 2. Direct connections to Enterprise Resource Planning (ERP) systems.
- F. Inventory Solutions: Details in Exhibit S.
1. Inventory Scan
 2. KeepStock
 3. On-Site Specialist
 4. Inventory Track
 5. Enhancement and Spot Buy
 6. First Aid Replenishment
- G. Emergency Preparedness: Details in Tab 2 – Pages 52-55. Products listed in Tab 2 - Pages 65-67.
- H. Green/Sustainability: Details in Tab 1 – Pages 27-28 and Details in Tab 2 – Page 74. Products are identifiable in the General Catalog and online by a unique certification symbol. The online Green Resource Center guides customers to products.
- I. Training and Education: No cost programs. Details in Tab 2 - Page 77-78.
1. Environmentally Responsible Value-Added Education – Details in Exhibit N.
 2. Occupational Health and Safety Value-Added Education –Details in Exhibit R
 3. On The Job Free Webinar Series –Details in Exhibit U
- J. Sourcing: Details in Exhibit D and E - Grainger's Sourcing Terms and Conditions. Access to over five million non-catalog products. Pricing is at current market rate.
- K. Audits:
1. Environmentally Responsible Value-Added Audits – Details in Exhibit Q
 2. Lighting and Energy: Details in Tab 2 – Page 76.
- L. Customizable Small Business Program: Details in Tab 2 – Pages 73-74.
- M. Repair Services: Details in Tab 2 – Page 72.
DeWalt Tool: Details in Tab 2 – Page 72. Program offers broken tool pickup service, defective tool inspections and safety training. Sample tools and/or accessories for a trial period
- N. Safety Services: Details in Tab 2 – Pages 89-90.
- O. Prescription Safety Eyewear Program: Details in Tab 2 – Page 92. Non-fee based program outsourced to AO Safety.
- P. Consulting Services: Details in Exhibit T.

- Q. Custom Air Filters at www.grainger.com. Details in Tab 2 – Page 70.
- R. Custom signs at www.grainger.com. Details in Tab 2 – Page
- S. Recycling of Lamps: Details in Tab 2 – Page 75 and Page 88.
- T. Grainger Contract Web Landing Page: Landing page provides key contract information including agency registration to view contract pricing.



Price Proposal

Grainger provides the following Price Proposal as required in the Proposal Evaluation Requirements, Section B and the Scope of Services, Section 3 of the City of Tucson's Request for Proposal Number 090188.

The included multi-tiered Price Proposal has been developed to address the needs of the City of Tucson and qualified Participating Public Agencies.

I. Customer Specific Price Program ("CSP")

Grainger has developed a Customer Specific Price Program to meet or exceed the needs of the City of Tucson, National IPA and Participating Public Agencies.

- A) **Core List Program** – Grainger has developed a Core List consisting of those 700 items as included in Exhibit 1 that are regularly purchased from Grainger by three (3) specific segments: cities, counties and education customers. The top 200 purchased products from each segment have been identified, thus creating a list of 600 items. Additionally, Grainger has included 100 of the most requested 3rd party certified "green" products. This creates a comprehensive Core List consisting of 700 of the most frequently purchased items.

The Core List net prices will be held firm for 12 months from the contract award date ("Contract Year"). In the event a Core List item is discontinued, the parties will find a mutually agreeable replacement item and add such replacement item to the Core List. Grainger will review the Core List items on a semi-annual basis to assure continued customization and relevance. This data will be based on the information accumulated throughout the term of the contract. A review of this data is critical to insure that the City of Tucson and Participating Public Agencies continue to receive the most significant savings on the items they purchase the most.

- B) **Lamps and Ballasts Program** - In addition to the Core List Program, Grainger offers a Lamps and Ballast Program structured to offer competitive discounts and pricing to the City of Tucson and Participating Public Agencies. Individual net prices of lamps and ballasts included in the Core List, and designated discounts as described below, for all other lamps and ballasts products will be held firm during the initial Contract Year. Prior to the end of each Contract Year, Grainger, the City of Tucson and National IPA will review and adjust the Lamps and Ballasts Program items, prices and discounts.

➤ **GE Lighting**

- ✓ 79.5% off current manufacturer List Price
- ✓ Netted prices on specific high usage SKUs
- ✓ All other excluded SKUs will receive 10% off the Grainger "each" price.

➤ **Advance Lighting**

- ✓ 81.5% off current manufacturer List Price – Electronic
- ✓ 76% off current manufacturer List Price – Fluorescent
- ✓ 76% off current manufacturer List Price – HID



- C) **Customer Specific Pricing (CSP)** – In addition to the Core List Program, Grainger will offer additional competitive discounts and pricing in those cases where the City of Tucson and/or Participating Public Agencies make high volume and/or repetitive product purchases.

II. **General Catalog and Product Category Discount Programs-** In addition to the Customer Specific Pricing Program, Grainger offers a range of deeper discounts for the following product categories as well as a discount for the balance of General Catalog items. These discount programs are designed to assist the City of Tucson and Participating Public Agencies with their unplanned purchases by providing them with competitive pricing for those items they buy less frequently but for which overall purchases add up.

Product Category Discounts

- **Motor Program** - This Program offers The City of Tucson and Participating Public Agencies a discount of twenty-eight percent (28%) off of the Grainger Catalog "each" price, as found on www.grainger.com, for specific electric motor, power transmission, engines and generators ("Motors") Products.
- **Air Filters Program** - This Program offers The City of Tucson and Participating Public Agencies a discount of forty-five percent (45%) off of the Grainger Catalog "each" price, as found on www.grainger.com, for specific air filter ("Air Filters") Products.
- **Cleaning Supplies Program** - This Program offers The City of Tucson and Participating Public Agencies a discount of eighteen percent (18%) off of the Grainger Catalog "each" price, as found on www.grainger.com, for specific chemical, mop, broom, and brush ("Cleaning Supplies") Products.
- **Tools Program** - This Program offers The City of Tucson and Participating Public Agencies the following discounts off of the manufacturer's current list price, except as otherwise provided:

		<u>WSCA</u>
DeWalt Tools	48%	48
Milwaukee Tools	46%	35
Proto	55%	55
Stanley	52%	52
DeWalt Accessories	38%	38
Milwaukee Accessories	35%	35
Blackhawk by Proto	45%	45
Westward	60%	10

➤ **General Catalog** - Grainger will offer ten percent (10%) off the Grainger Catalog "each" price as found on www.grainger.com. This Price Proposal guarantees a ten percent (10%) firm discount for General Catalog items for the term of the Agreement.



III. Grainger Product Sourcing

The City of Tucson and Participating Public Agencies are able to purchase through Grainger's Sourcing arm, which reaches out to Grainger's network of non-catalog suppliers to provide access to over five million additional products. The pricing and discounts set forth above do not apply to items purchased through Grainger's Sourcing arm. Pricing will be quoted on a case-by-case basis. Grainger Sourcing Terms and Conditions apply to any Sourced Products purchases. Please see Exhibit E, Grainger Sourcing Terms and Conditions, submitted with Grainger's technical proposal under separate cover.

IV. Prepaid Freight Program

Grainger offers the City of Tucson and Participating Public Agencies pre-paid freight on all standard ground shipments. Title transfers to the City of Tucson and Participating Public Agencies at time of delivery, FOB Destination. Other terms apply to Alaska, Hawaii, export orders, and for orders placed for Sourced Products. Any extra charges incurred for additional services, such as expedited delivery, carrier or special handling by the carrier, must be paid by the City of Tucson or the Participating Public Agency.

V. Administrative Fees for Grainger Direct Purchases

Grainger will provide National IPA an Administrative Fee of two percent (2%) on all Direct Purchases ("Direct Purchase Administrative Fee"). Direct Purchases are those purchases the City of Tucson and/or Participating Public Agencies make directly from Grainger, under a resulting Agreement, and which include the total net invoice price, less freight, taxes, returned products, and credits. Grainger will calculate the Direct Purchase Administrative Fee amount quarterly and provide the Administrative Fee payment within forty-five (45) days from the end of the quarter. Grainger will include a quarterly Direct Purchase Administrative Fee report within forty five (45) days from the end of the quarter.

VI. eCommerce Administrative Fee for Grainger Direct Purchases

In addition to the Administrative Fees referenced above, National IPA will be eligible to receive an eCommerce Administrative Fee of one percent (1%) in the event that total eCommerce Direct Purchases constitute more than fifty Percent (50%) of the total annual cooperative spend. eCommerce Direct Purchases include those purchases the City of Tucson and/or Participating Public Agencies make directly from Grainger on www.grainger.com or via an approved punchout platform, under a resulting Agreement, which include the total net invoice price, less freight, taxes, returned products, and credits. Grainger will calculate the eCommerce Administrative Fee, if applicable, annually and provide any such eCommerce Administrative Fee payment within forty five (45) days from the end of each Contract Year. Grainger will include an annual eCommerce Administrative Fee report, if applicable, within forty five (45) days from the end of each Contract Year.

GRAINGER®

Industrial Supply

Western States Contracting Alliance - WSCA ITB #7066
Grainger Discount Structure

Exhibit A

% Off Manufacturer Less List

Lighting

GE Lighting

82.5% Off Mfr List (9002 August 1st, 2005 GE Lighting Price List)
54 Specially net priced items from WSCA ITB Market Basket
All other excluded items 10% off Grainger each price

Advance Transformer

83.5% Off Mfr List - Electronic	June 1, 2005 CATALOG 155CC
77.5% Off Mfr List - FLB	June 1, 2005 CATALOG 155CC
77.5% Off Mfr List - HID	June 1, 2005 CATALOG 155CC
70% Off Mfr List - Sign	June 1, 2005 CATALOG 155CC

Power Tools


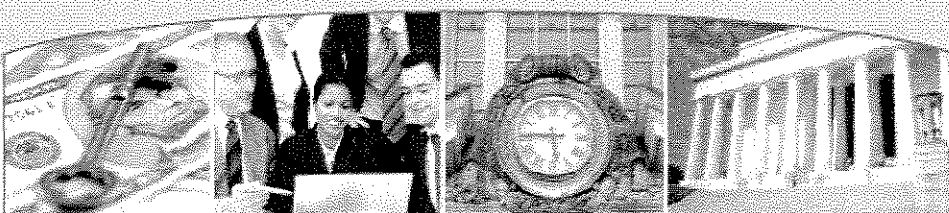
DeWalt	Minimum of 48% and a Maximum of 50% off Dewalt Current Industry Net Price S
Milwaukee	Up to 46% off Milwaukee UPL-55

Power Tool Accessories

DeWalt	38% Off Current Mfr List
Milwaukee	35% Off Current Mfr List

Hand Tools

Stanley	Minimum of 52% and a Maximum of 66% Off Current Mfr List Price
Proto	Up to 55% Off Current Mfr List Price
Blackhawk	Up to 45% Off Current Mfr List Price
Westward	10% Off Grainger's Each Price (Current WSCA Contract Discount)

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**READY TO PURCHASE?
CLICK HERE!**

CONTRACT HIGHLIGHTS

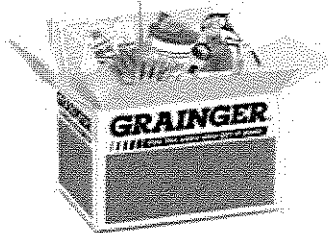
DOCUMENTATION

PRICING & ORDERING

NEED MORE INFO?

NEWS, EVENTS, ETC

**GOING GREEN?
We can help!**



Maintenance, Repair and Operational Supplies

Competitively Solicited and Awarded by:
City of Tucson, AZ

Contract Highlights:

- Contract Term: January 1, 2010 - December 31, 2014
- Deep discounted core lists supplemented with specific manufacturer discounts
- 850 Item Core List
 - o 600 Item Core List
 - o 100 Item Sustainability (Green) Core List
 - o 150 Item Emergency Preparedness and Response Core List
- Agency-Specific Customized Core List (minimum of 100 items)
- Additional discounts for high volume and/or repetitive product purchases
- General Catalog Discount for Off-Core Items
- Value Added Services (i.e. Inventory Solutions, Process and Technology Consulting Services, Training and Education, etc.)
- Contract #090188
- Visit the Grainger website at www.grainger.com/nationalipa

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